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SENATE BILL

No. 1127

Introduced by ~~Senator Chesbro~~ *Senators Chesbro and Aanestad*

(Principal coauthor: Assembly Member Berg)

(Coauthors: Senators Maldonado and Speier)

*(Coauthor: Assembly Member Berg Coauthors: Assembly Members
Blakeslee, Canciamilla, Evans, Laird, and Mullin)*

January 9, 2006

An act to ~~amend Section 26802.5 of the Government Code, relating to counties;~~ *add Sections 14030.5 and 14075.5 to the Corporations Code, and to add Article 7 (commencing with Section 1250) to Chapter 3 of Division 2 of the Fish and Game Code, relating to salmon fishing, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

SB 1127, as amended, Chesbro. ~~County government.~~ *Salmon fishing: economic aid.*

(1) The California Small Business Financial Development Corporation Law establishes within the Business, Transportation and Housing Agency the California Small Business Loan Guarantee

Program, whereby financial development corporations, as provided, loan money to, or guarantee loans for, small businesses, as specified. Existing law specifically authorizes a corporation, in an area declared to be in a state of emergency by the Governor, to provide specified loan guarantees to small businesses, small farms, nurseries, and agriculture-related enterprises that have suffered actual physical damage or significant economic injury as a result of the disaster. Existing law establishes the California Small Business Expansion Fund and continuously appropriates the moneys in the fund for prescribed loans, loan guarantees, and related purposes.

This bill would establish a revolving loan program to allow a commercial fisherman or commercial passenger vessel operator operating recreational charter services directly affected by the NMFS actions to submit an application to a lending institution or a financial company, as defined, for a 0% loan to finance all or a portion of the costs of economic losses experienced by the eligible business. The bill would require the agency to contract with a lending institution or a financial company to administer the program, and would authorize the agency to enter into a sole source contract for that purpose. The bill would establish the Salmon Fishing Aid Revolving Loan Program Account in the California Small Business Expansion Fund for the purposes of the revolving loan program.

The bill would authorize a corporation, in an area declared to be in a state of emergency by the Governor, to provide loan guarantees to businesses directly related to the salmon fishing industry that have experienced economic losses as a result of the NMFS actions.

(2) Existing law establishes the Department of Fish and Game within the Resources Agency, and generally charges the department with the administration and enforcement of the Fish and Game Code.

Existing law, with specified exceptions, prohibits a person who is 18 years of age or more and less than 70 years of age, on or before April 1 of the current license year, from taking salmon for commercial purposes or being on board a vessel on which salmon are taken for commercial purposes while salmon are being taken or transported unless that person has a commercial fishing salmon stamp issued pursuant to this section affixed to his or her commercial fishing license. Existing law restricts commercial taking of salmon to specified districts, and imposes seasons and size restrictions for salmon taken commercially.

Existing law also authorizes, under specified circumstances, the taking of salmon for sport purposes under a sportfishing or a sport ocean fishing license.

This bill would require the department to develop a grant program to mitigate the economic losses of commercial fishermen and commercial passenger vessel operators operating recreational charter services directly affected by the 2006 National Marine Fisheries Service (NMFS) restrictions on, and closures of, state salmon fisheries. The bill would require the department to identify and enter into a contract with an entity to administer and service the grant program, and would authorize the department to enter into a sole source contract.

(3) The bill would make available \$26,370,000 to mitigate prescribed economic losses resulting from restrictions on, and closures of, salmon fisheries in the state by appropriating \$6,370,000, as scheduled, from the General Fund to the department for the development of the grant program and to reimburse the department for lost revenue from commercial salmon fishing license fees reimbursed or waived for 2006 and 2007 by the Governor, and to the agency to provide the loan guarantees, and by transferring \$20,000,000 from the Harbors and Watercraft Revolving Fund to the continuously appropriated Salmon Fishing Aid Revolving Loan Program Account for the revolving loan program, as specified.

(4) This bill would declare that it is to take effect immediately as an urgency statute.

~~Under existing law, the duties pertaining to elections are performed by the county elections official. However, in specified counties, the board of supervisors is authorized to appoint a registrar of voters to discharge all duties vested by law in the county clerk that relate to, and are part of, the election procedure.~~

~~This bill would extend this appointment authority to the County of Napa.~~

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 *SECTION 1. Section 14030.5 is added to the Corporations*
- 2 *Code, to read:*

1 14030.5. (a) As used in this section, the following terms have
2 the following meanings:

3 (1) “Account” means the Salmon Fishing Aid Revolving Loan
4 Program Account established by subdivision (b).

5 (2) “Eligible business” means a commercial fisherman or
6 commercial passenger vessel operator operating recreational
7 charter services directly affected by the 2006 National Marine
8 Fisheries Service restrictions on, and closures of, salmon
9 fisheries.

10 (3) “Lending institution or financial company” means a
11 lending institution or a financial company that has contracted
12 with the agency to administer the loan program pursuant to
13 subdivision (c).

14 (4) “Loan” means a loan of funds by a lending institution or
15 financial company pursuant to this section.

16 (b) (1) The Salmon Fishing Aid Revolving Loan Program
17 Account is hereby created in the expansion fund.

18 (2) The moneys in the account shall consist of all moneys
19 authorized or required to be deposited in the account by the
20 Legislature.

21 (3) Notwithstanding Section 13340 of the Government Code,
22 the moneys in the account are hereby continuously appropriated
23 to the agency for payments, with the approval of the Department
24 of Finance, to a lending institution or financial company that will
25 act as trustee of those moneys for the purposes of this section.

26 (c) The agency shall contract with a lending institution or a
27 financial company to administer a revolving loan program in
28 accordance with this section. The agency may enter into a sole
29 source contract for that purpose.

30 (d) An eligible business may submit an application to a
31 lending institution or a financial company for a zero percent loan
32 for the purpose of financing all or a portion of the costs of
33 economic losses experienced by an eligible business. The
34 application shall be in a form and contain information as
35 prescribed by the agency.

36 (e) A loan made pursuant to this section shall be used for the
37 purposes specified in the approved application.

38 (f) If the lending institution or financial company determines
39 that a loan has been expended for purposes other than those
40 specified in an approved application, it shall immediately request

1 *the return of the full amount of the loan. The eligible business*
2 *shall immediately comply with that request.*

3 *(g) The agency may adopt regulations for the administration*
4 *of this section. The agency, in the administration of this section,*
5 *shall be exempt from the rulemaking provisions of the*
6 *Administrative Procedure Act (Chapter 3.5 (commencing with*
7 *Section 11340) of Part 1 of Division 3 of Title 2 of the*
8 *Government Code).*

9 *SEC. 2. Section 14075.5 is added to the Corporations Code,*
10 *to read:*

11 *14075.5. (a) A corporation, in an area declared to be in a*
12 *state of emergency by the Governor, may provide loan*
13 *guarantees from funds allocated pursuant to Section 1250 of the*
14 *Fish and Game Code to businesses directly related to the salmon*
15 *fishing industry that have experienced economic losses as a*
16 *result of the 2006 National Marine Fisheries Service restrictions*
17 *on, and closures of, salmon fisheries in this state.*

18 *(b) The agency may adopt regulations to implement the loan*
19 *guarantee program authorized by this section. The agency, in the*
20 *administration of this section, shall be exempt from the*
21 *rulemaking provisions of the Administrative Procedure Act*
22 *(Chapter 3.5 (commencing with Section 11340) of Part 1 of*
23 *Division 3 of Title 2 of the Government Code).*

24 *SEC. 3. Article 7 (commencing with Section 1250) is added to*
25 *Chapter 3 of Division 2 of the Fish and Game Code, to read:*

26
27 *Article 7. Economic Aid for Salmon Fishing*
28

29 *1250. (a) The department shall develop a grant program to*
30 *mitigate the economic losses of commercial fishermen and*
31 *commercial passenger vessel operators operating recreational*
32 *charter services directly affected by the 2006 National Marine*
33 *Fisheries Service restrictions on, and closures of, state salmon*
34 *fisheries.*

35 *(b) The department shall identify, and enter into a contract*
36 *with, an entity to administer and service the grant program. The*
37 *department may enter into a sole source contract to comply with*
38 *this subdivision.*

39 *(c) The department, in the administration of this section, shall*
40 *be exempt from the rulemaking provisions of the Administrative*

1 *Procedure Act (Chapter 3.5 (commencing with Section 11340) of*
2 *Part 1 of Division 3 of Title 2 of the Government Code).*

3 *SEC. 4. The sum of twenty-six million three hundred seventy*
4 *thousand dollars (\$26,370,000) shall be made available for*
5 *programs to mitigate the economic losses resulting from the 2006*
6 *National Marine Fisheries Service restrictions on, and closures*
7 *of, salmon fisheries in this state, as follows:*

8 *(a) Six million three hundred seventy thousand dollars*
9 *(\$6,370,000) is hereby appropriated from the General Fund in*
10 *accordance with the following schedule:*

11 *(1) Five million dollars (\$5,000,000) to the Department of*
12 *Fish and Game for the development of the grant program*
13 *described in Section 1250 of the Fish and Game Code.*

14 *(2) Three hundred seventy thousand dollars (\$370,000) to the*
15 *Department of Fish and Game to reimburse it for lost revenue as*
16 *a result of the Governor's administrative action to reimburse or*
17 *waive 2006 and 2007 commercial salmon fishing license fees.*

18 *(3) One million dollars (\$1,000,000) to the Business,*
19 *Transportation and Housing Agency, for allocation to a*
20 *corporation, as defined in Section 14010 of the Corporations*
21 *Code, for the loan guarantees described in Section 14075.5 of*
22 *the Corporations Code.*

23 *(b) (1) Twenty million dollars (\$20,000,000) is hereby*
24 *transferred from the Harbors and Watercraft Revolving Fund to*
25 *the Salmon Fishing Aid Revolving Loan Program Account,*
26 *established in Section 14030.5 of the Corporations Code, for the*
27 *purposes described in that section.*

28 *(2) Any funds transferred pursuant to paragraph (1) that are*
29 *not encumbered before July 1, 2008, shall revert to the Harbors*
30 *and Watercraft Revolving Fund.*

31 *(3) The agency shall repay to the Controller within five years,*
32 *for deposit in the Harbors and Watercraft Revolving Fund, the*
33 *amount transferred pursuant to paragraph (1) plus interest*
34 *calculated at the rate earned by the Pooled Money Investment*
35 *Account.*

36 *SEC. 5. This act is an urgency statute necessary for the*
37 *immediate preservation of the public peace, health, or safety*
38 *within the meaning of Article IV of the Constitution and shall go*
39 *into immediate effect. The facts constituting the necessity are:*

1 *In order to mitigate the severe economic losses resulting from*
2 *the 2006 National Marine Fisheries Service restrictions on, and*
3 *closures of, salmon fisheries in this state, it is necessary for this*
4 *measure to take effect immediately.*

5 ~~SECTION 1. Section 26802.5 of the Government Code is~~
6 ~~amended to read:~~

7 ~~26802.5. In the Counties of El Dorado, Kings, Lake, Marin,~~
8 ~~Mereed, Monterey, Napa, Riverside, San Joaquin, Solano, and~~
9 ~~Tulare, a registrar of voters may be appointed by the board of~~
10 ~~supervisors in the same manner as other county officers are~~
11 ~~appointed. In those counties, the county clerk is not ex officio~~
12 ~~registrar of voters, and the registrar of voters shall discharge all~~
13 ~~duties vested by law in the county elections official that relate to~~
14 ~~and are a part of the election procedure.~~

15 ~~SEC. 2. Due to the unique circumstances of the County of~~
16 ~~Napa with respect to the registrar of voters, the Legislature~~
17 ~~hereby finds and declares that a general statute cannot be made~~
18 ~~applicable within the meaning of Section 16 of Article IV of the~~
19 ~~California Constitution. Therefore, the special legislation~~
20 ~~contained in Section 1 of this act is necessarily applicable only to~~
21 ~~the County of Napa.~~